

PRESS RELEASE

- Efforts to beat slowdown bear fruit -

IOL Chemicals and Pharmaceuticals' latest financial results show healthy growth

- Income up by 27.7% and operating profit by 85% compared to corresponding quarter last year -

New Delhi, February 1, 2010 - IOL Chemicals and Pharmaceuticals Limited (IOLCP), one of the largest producers of APIs, Ibuprofen and specialty chemicals in India, has announced its latest financial results for the quarter ended December 31, 2009, which clearly show that the company is on the path of growth. The income for the company during the said quarter went up by 27.70% to Rs 85.97 crores from Rs 67.32 crores reported in the corresponding quarter ended December 31, 2008. The Operating Profit for the quarter ended December 31, 2009, went up by 85% to Rs 12.79 crores against Rs 6.91 crores reported in the corresponding quarter ended December 31, 2008.

Mr. RK Thukral, Executive Director, IOL Chemicals & Pharmaceuticals said, "We are happy to have brought the good news to all our stakeholders. Our sustained efforts to ward off the ill effects of the global slowdown and move towards the growth path have borne fruit. The results are encouraging and we expect to grow from strength to strength during the current year."

The Income for the company during the nine months went up by 14.30% to Rs 263.03 crores in comparison to Rs 230.12 crores reported in the corresponding nine months of the previous year. The Operating Profit for the nine months ended December 31, 2009 went up by 9.14% to Rs 29.14 crores against Rs 26.70 crores reported in the corresponding period ended December 31, 2008.

The Earning Per Share during the nine months has increased to Rs 5.04 from Rs 4.71 in the corresponding period.

"The company owes much of this growth to its sustained efforts to improve upon productivity, cut down on costs, eliminate wastage and become more self-reliant in terms of procurement of raw materials and power generation. We are confident that the renewed confidence of the stakeholders in our company will provide further boost to our numbers and IOL Chemicals & Pharmaceuticals will soon be amongst the frontrunners in the Indian chemicals and pharmaceuticals industries," added Mr. Thukral.

Keeping in line with its Backward Integration plans, the company recently commenced the manufacturing operations at its new plant of Isobutyl Benzene (IBB) having annual capacity of 6600 MT to ensure ready availability of the basic raw material for its successful pharmaceutical product, the anti-inflammatory/analgesic drug, Ibuprofen. The newly set up facilities for manufacturing of Iso Butyl Benzene are the second largest in India in terms of manufacturing capacity.

The production capacity of Ibuprofen has been the stronghold of IOLCP's pharmaceutical operations and the company has recently increased its Ibuprofen plant capacity to 3600 TPA. Ibuprofen is used to reduce fever and treat pain or inflammation caused by many ailments such as headache, toothache, back pain, arthritis, menstrual cramps, or minor injuries.

IOLCP also recently commenced operations of Mono Chloro Acetic Acid(MCA) with a capacity of 7200 TPA and Acetyl Chloride with a capacity of 5200 TPA, other major raw materials for the manufacture of Ibuprofen using Acetic Acid and Acetic Anhydride as a raw material .

About IOL Chemicals and Pharmaceuticals Limited

Established in 1986, IOLCP, a public-listed company (BSE), is one of the largest manufacturers of APIs and specialty chemicals with presence in over 52 countries across the world. IOLCP manufactures and supplies APIs and speciality chemicals for use in various pharmaceutical, Textile, Packaging, Lamination, Pesticides, Food processing applications. Its product portfolio includes APIs , Ibuprofen , specialty chemicals such as ethyl acetate, acetic anhydride , Iso Butyl Benzene , Mono Chloro Acetic Acid and Acetyl Chloride and bulk chemicals such as Glacial Acetic acid . IOLCP is currently in a phase of expansion with an investment outlay of Rs. 256 crore which would include capacity expansion for its various product lines, forward and backward integration and increase in cogeneration of power. IOLCP's overseas customers are spread out across several countries including Argentina, Brazil, China, Denmark, Germany, Singapore, Hong Kong, Kenya, Malaysia, Peru, Egypt and many others. The company has strong business relationships with a number of prestigious clients such as Ranbaxy Labs, Aurbindo Pharma , Dr Reddy, DS Group, CIPLA, Uflex Industries, ITC Limited, ICI Paints, Asian Paints, Pidilite, Rallis India, Hindustan Polymide, Gujarat Super Phosphate, Avon Organics Ltd. etc. For more information on IOLCP, please visit <http://www.iolcp.com>